

It's New! DRY SKIN CLEANSING CREAM
"Colonial Dames"
 HOLLYWOOD
 A "MUST" ITEM FOR WINTER
 ON SALE AT LEADING STORES
 SOLE AGENTS: NAN KANG CO. UNION BLDG. 1/F

The Hongkong Telegraph.

Dine At the
P. G.
 For Reservations Tel: 27880

VOL. III NO. 7

FRIDAY, JANUARY 9, 1948.

Price 20 Cents

All Or Nothing Appeal

Arabs Lay Ambushes

ANOTHER DAY OF WILD FIGHTING

Jerusalem, Jan. 8.—One Jew was killed and 14 injured in Arab guerilla ambushes against Jewish taxis, buses and lorries on the main Tel-Aviv-Haifa road today, it was officially reported tonight.

About 50 Arabs, firing from orange groves, shot the drivers of two taxis and then turned their fire on a bus, wounding one passenger.

Four lorries, caught in an ambush, were abandoned after five Jewish passengers had been wounded.

Earlier today, another bus was ambushed and one Jew was killed and four others wounded.

A British officer was shot in the back outside Tel-Aviv when his patrol was fired on. It was officially stated.

FIFTEEN KILLED

A total of 15 people were killed in the Palestine disturbances today, according to a casualty list issued by the authorities.

Sporadic and rifle fire had been going on since early morning. In the main shopping centre of Jerusalem, Jewish gunmen entered a cafe and shot one man.

Jewish sources said that two British policemen shot and killed two members of an armed Arab band which attempted to steal their rifles from a lorry between Gaza and Beersheba, south Palestine, today.

An Army communique tonight said that the reports of a convoy attempting to break through to the Jewish quarter in Jerusalem and that troops had escorted an ambulance were not confirmed.

In Paris, Dr. Adde-Hillel-Silver, Chairman of the Jewish Agency's American Section and of the American Zionist Emergency Council, said tonight that the Jewish Agency was now asking the governments to assist them as far as possible in obtaining arms for self-defence in Palestine.

"We should like the arms to be given to the Jewish people in Palestine with the full knowledge and consent of the United Nations," Dr Silver told a press conference.

He added that, to his knowledge, no reply had been received so far to this request.—Reuter.

EDITORIAL

Industrial Revival

TWO and a quarter years after reoccupation, Hongkong industries as a whole are producing up to 70 percent of their pre-war levels. This can rank as the most illuminating example of the Colony's rehabilitation—a triumph of courage, sagacity and ingenuity over tremendous difficulties such as shortage of raw materials, war-damaged plants, lack of skilled workers and high production costs. The analysis of the current position of Hongkong industries which we publish today shows that in the main recovery has been progressive, and that given certain circumstances will continue to improve to a point where pre-war levels will be passed. Particularly encouraging is the growth of new industries and their potential powers of production. Cotton spinning is to return to the Colony after an interval of many years, and on such an ambitious scale that it will become one of our biggest industries. For this new industrial development we have to some extent, regretfully, to thank the situation in Shanghai where restrictions and currency inflation no longer permit big industrial undertakings to be practical or financially propositions. By the same token we can take pride in the fact that because of our economy and benevolent administration Hongkong appeals to Chinese industrialists as the most suitable place in which to make

Rioting Brings 322 Casualties

Karachi, Jan. 9.—Premier Mohammad Ayub Khuroo of the province of Sind announced on Wednesday night that 122 persons were killed and 200 injured in two days of communal rioting here. He said 61 of the dead were Sikhs.

The latest report was that only two or three looting incidents occurred on Wednesday and that they were controlled by police, who shot three looting Moslems. Associated Press.

BODIES FOUND ON RAFT

Dundrum County, Jan. 8.—Royal Air Force planes from Aldergrove, Northern Ireland, today continued to search around the north coast of the Isle of Man where early this morning a steamer found on a raft the bodies of two men of the crew of eight from the Cardiff coaster Teasel missing since Tuesday night.

A dozen RAF and naval aircraft and two lifeboats had scoured the Irish Sea for 30 hours for the Teasel. The papers recovered from the bodies which were brought ashore today identified one as Nicholas Meerschalkewer, 30 and a Dutch seaman of Cardiff. The other body so far has not been identified.

No further news of the two-seater Proctor aircraft reported to have crashed in the sea off the north foreland on Tuesday night and for which RAF planes made a widespread search yesterday, has been received.

The gales which last night swept most of Britain are reaching their height over the East coast and the Goodwins were still in full force this morning.—Reuter.

EXPORT IMPETUS

Sydney, Jan. 8.—To double the Australian annual export of 60,000 tons of butter to Britain, the Commonwealth Government was prepared to advance dairy farmers £1,250,000, spread over five years, Mr Reginald Pollard, the Australian Minister of Commerce and Agriculture, announced today.

This was only one way in which it was hoped to provide additional food products for Britain. When the rest of the British Food Ministry representatives arrive, the position would be examined, commodity by commodity, Mr Pollard said.—Reuter.

By Marshall WORLD SITUATION IS CRITICAL

Sacrifices Required

Washington, Jan. 8.—The Secretary of State, Mr George Marshall, today made an all or nothing appeal to Congress to approve his recovery programme because the world situation was "critical in the extreme."

Mr Marshall formally presented the administration's case for the Marshall Plan to the Senate Foreign Relations Committee, then dropped his prepared manuscript on the Committee table, leaned forward in his chair and declared in a firm voice: "The people of the United States must thoroughly understand the critical world situation."

He said the four-year recovery programme would require sacrifices by the American people. "When we measure these sacrifices against what we are fighting for... the whole world hangs in the balance."

He then reminded Congress that in many parts of the world "there is more fighting now than there was in the war." He added that the United States "happens to be the strongest nation in the world, certainly economically, and, I think, in most other respects."

He emphasised that the recovery programme was a "calculated risk" but a risk that must be undertaken notwithstanding the "avowed determination of the Soviet Union and the Communist Party to oppose and sabotage it at every turn."

THE ALTERNATIVES
 The alternatives to an adequate programme, he continued, were distress and social and political upheavals which could well result in a third world war.

The Secretary made no attempt to sidestep the impact of the programme on American economy.

"It will require sacrifices today in order that we may enjoy peace and security tomorrow. Should Congress approve the programme for European recovery, as I urgently recommend, we Americans will have made the historic decision of our peacetime history."

He then predicted that to abandon the 570,000,000 people of Western Europe to the threats of hunger, poverty and desperation, resulting in chaos, eventually would cost the United States much more.

"A world of continuing uneasy half peace will create demands for constantly mounting expenditures for defence," he said. "This programme should be viewed as an investment in peace. In those terms, the cost is low."

He said that despite acknowledged pitfalls, the black outlook of confusion and "possible war" should speedily change "if the United States went to the rescue of the 10 non-Communist nations before it was too late."

"We have engaged in a great war that war. We fought to make peace possible; though war has ended, peace has not commenced. We must not fail to complete that which we commenced."

THREE PRINCIPLES
 Mr Marshall then said three principles must determine United States help:

1. It must be adequate.
2. It must be prompt.
3. It must be effectively applied.

In line with the compromise reached by President Truman and the Senate President, Mr Arthur Vandenberg, Mr Marshall will not ask for the US\$17,000,000,000 authorisation for the full 51-month programme. However, he asserted that it was vital that Congress pledge itself to complete the project. He estimated the ultimate cost between US\$15,100,000,000 and US\$17,800,000,000.

Senator Vandenberg asked if Russia had "declared war on the success" of the programme. "The Secretary replied that Russia 'in effect' had done so and said that responsible Russian officials had shown 'antagonism and hostility' to the programme, although no formal communication had been made to the United States.

Senator Vandenberg also asked if the inclusion of Western Germany were not vital to success. Mr Marshall agreed that "inclusion is essential."—United Press.

PARTY SPLIT POSSIBLE
 Washington, Jan. 8.—Signs of a major split in the ranks of the majority Republican Party over the Marshall plan were evident here today as officials got ready for the formal opening of the crucial debate on the vast European recovery scheme in the Senate Foreign Relations Committee.

At the same time, a newspaper reporter said that the Secretary of State, Mr George Marshall, who originated the plan, and is due to be the first Government witness before the Committee, might threaten to resign if Congress either delayed or significantly alters his scheme.

Twenty-four hours after the State Department had given the first details of its multi-millionaire aid to 16 European nations, the Secretary of State was expected to hit hard at the plan's opponents before the Senate Committee.

Co-ordinating the appearance and evidence of Mr Marshall and six other Cabinet members as they go before the Senate Foreign Relations Committee will be Mr Lewis Douglas, the United States Ambassador to Britain.

The six "Cabinet members" are the Secretary of Commerce, Mr Averell Harriman, the Secretary of Agriculture, Mr Clinton Anderson, the Secretary of the Interior, Mr Julius Krug, the Secretary of the Treasury, Mr John Snyder, the Secretary of the Army, Mr Kenneth Royall, and the Secretary of Defence, Mr James Forrestal.

With other Government officials and influential leaders of business, finance, labour, farming and public opinion, they will explain the European recovery programme which, as the State Department announced yesterday, provides for vast quantities of food, tobacco, raw materials and machinery to be supplied to Europe, including Britain, in a four and a quarter year period.

CONTRARY VIEWS

The belief that internal strife might break out in the Republican Party over the Marshall Plan was supported by the fact that Senators Robert Taft and Arthur Vandenberg—the leading majority Party figures in the Senate—appear to possess radically contrary views on it.

Although he has been cautious in comment to date, there is every evidence that Senator Vandenberg fully believes in the plan and by recently divesting himself of Presidential possibilities and political ambitions—intends to fight for it on a genuine bipartisan basis.

Senator Taft, on the other hand, has publicly proclaimed his conviction that the total contributions should be slashed and expressed the belief that the debate will probably not be concluded until July 1 at the earliest. (Continued on Page 4)

US Aid For Jap Textile Mills

New York, Jan. 8.—American financial interests have completed negotiations for a US\$60,000,000 loan to provide cotton for Japanese textile mills, it was disclosed here today.

A source close to the negotiations representing a group of banks headed by the National City Bank of New York, said discussions have been completed with representatives of SCAP.

The informant, who declined the use of his name, said details would be disclosed in about a week or 10 days, when drafting of the agreement is completed.

Banks participating with the National City Bank are Chase National Bank of America, and J. Henry Schroeder Banking Corporation. The Export-Import Bank in Washington also is expected to participate, but to what extent was not disclosed.

The credit will provide for purchase of about 300,000 bales of cotton from American producers, the source said. He added it would go into effect immediately after signing.—Associated Press.

German Steel Workers Down Tools

Call 48-Hour Strike

Duesseldorf, Jan. 8.—Some 35,000 workers in Solingen—the German steel city—downed tools today for a 48-hour general strike.

The strikers, acting on the orders of the Solingen Trade Council, demanded that both normal and workers' ration be met in full and that blackmarketeers be adequately punished.

Solingen was calm and no disturbances were expected. In Duesseldorf, Mulheim, Oberhausen and other Ruhr cities today, trade councils were meeting to decide action.

At the weekend, union leaders will decide whether to call a general strike throughout the Ruhr "to call the attention of the world to our plight."

Some unions are demanding a general strike throughout the British Zone, but union leaders are opposed to this proposal.

It was not clear today whether the Essen miners would join in the five-hour general strike called at Essen for tomorrow. The miners' leadership opposed participation, but many miners wished to strike and other unions had expressed support.—Reuter.

Aid For China Message Soon

Washington, Jan. 8.—The American aid for China, suggested yesterday by President Truman in his "State of the Union" message, will be submitted to Congress possibly within a fortnight, after special envoys of Generalissimo Chiang Kai-shek have been consulted, Administration officials said today.

The proposal calls for \$300,000,000 or possibly more.

The special envoys, Mr Yu Tai-wai, Minister of Communications, and Dr Pei Tai-yue, former Director of the Central Bank of China, were to start for Washington today.

President Truman, in his brief reference to China yesterday, said that the aim of the programme would be to "satisfy urgent relief needs and to speed reconstruction."—Reuter.

Dutch Becoming Impatient Over Delay In "Cease Fire" Agreement

Batavia, Jan. 8.—The Dutch have told the Indonesian Republicans through the Security Council's "good offices" committee, now negotiating in Indonesia, that The Netherlands Government would reserve its right to freedom of action if a cease fire agreement was not reached shortly.

This was learned reliably from non-Dutch sources here today as the Dutch Cabinet summoned a special meeting at The Hague following the return of Dr Louis Beel, the Premier, from Batavia, where he had been holding important discussions on the future of Indonesia.

Well-informed Dutch sources said that confirmation or denial of this report would have to come from The Hague.

The Dutch last reserved its "right to freedom of action" last July, just before they began their "police action" against the Indonesian Republicans.

Negotiations for a cease-fire, in accordance with the Security Council resolution on Indonesia of November 1 last, have been going on for nearly 11 weeks now, so far without reaching an agreement. A Dutch East Indies spokesman today expressed disappointment that

the Indonesian Republicans had so far not given their reply to the latest cease-fire proposals of the Security Council's "good offices" Committee.

He described the situation as "extremely uncomfortable" and said a decision on the cease-fire now was a matter of extreme urgency.

Well-informed Republican sources said that the Republican reply to the third cease-fire plan, and the modifications to that suggested by the Dutch through the "good offices" committee, would probably be given to the committee today or tomorrow.—Reuter.

A TRIUMPH IN REHABILITATION

Hongkong Industries Producing Up To 70% Pre-War Level

In spite of suffering an 80% wartime damage to factories and machinery, and facing soaring post-war costs of building materials and wages, Hongkong industry has made amazing recovery during the past two and a quarter years and is now producing at 70% of her pre-war level.

Within two years, at the present speed of rehabilitation, Hongkong's new and old industries will produce at a rate far above any pre-war year.

Almost all pre-war factories are completely or partially rebuilt and in addition many new plants have either started production or are under development.

Of the 1,207 factories which have applied for registration since the war, only 112 have closed, leaving 1,185 now in operation. Of these, 884 have been accepted for registry by the Labour Department and the remainder are in the process of being screened. More applications are being received daily and will soon make the number jump far above the approximate 1,200 of pre-war.

Although six to seven hundred of the new and rehabilitated industries are of the workshop type, employing between 20 and 30 labourers, the larger factories have been as quick to rehabilitate as the new Hongkong firms are building on a large scale.

The largest of the new industries is cotton spinning.

Shanghai capitalists, finding it difficult to work there, have brought large quantities of capital to Hongkong to start the industry. To be developed on a tremendous scale, the four big concerns now under planning—Wyer Textiles, Nanyang Cotton Mills, South China Textiles and Hongkong Cotton Mills—will work a total of 52,000 spindles.

Other mills have applied for registration and by next spring 100,000 spindles should be in operation.

The flight of capital from Shanghai has also brought a significant boost to the weaving and knitting industries, established in Hongkong before the war. The weaving industry is now producing at 70% of its pre-war level and finds it difficult to fulfil all of its orders. Some of the factories have installed entirely new machinery and others have new machines on order. Over 300 small weaving firms and the same number of knitting concerns are now in operation.

Competition from Japan, which cornered the industry in the pre-war years, remains dormant during the next few years, knitting, and especially weaving will continue with a steady increase.

Always the largest industry in Hongkong, textiles, with the addition of cotton spinning moved from Shanghai and the lack of Japanese competition in weaving, will soon increase production over 200%.

NEW INDUSTRIES

Other new industries which have been introduced to Hongkong since the war are: (1) the manufacture of aluminium household goods; of which Wah Chong Aluminium Ltd. is the principal concern; (2) re-rolling of steel, undertaken by Chai Hui, This firm purchases scrap steel from ship wrecks and manufactures steel rods and bars; (3) the manufacture of plastic household wares, undertaken by the China Plastics Co., which mainly produces wash hand bowls; and (4) the manufacture of resistance parts for fluorescent tubes. To be developed on a large scale by the Volta Electric Manufacturing Co., the produc-

tion of fluorescent tube condensers will make available to all of the Colony's tubes this badly needed electric-current-saving device. Over 80% of the produce will be exported to the United States to help Hongkong earn American dollars.

In addition to new firms, old ones have increased production and expanded. The Shanghai political situation and the defeat of Germany and Japan, although primarily affecting the textile industry, have brought significant increases and changes to almost all of the Colony's manufacturing.

Production of hurricane lanterns, formerly a Japanese and German monopoly, has already increased 50% beyond its pre-war level. The four large paint factories, Island Paint Co., Camel Paint, Duro Paint, and China Paint, have all expanded their factories to meet rehabilitation demands and are producing 250% above the pre-war rate.

In the same way, the production of small hardware (hinges, bolts, etc.—pre-war Japan products), Bakelite sockets and casings, enamel ware, torchlights and banjo lamps is fast regaining pre-war quota and is planning to expand.

Until the last three months, these industries have suffered the erratic fluctuations of the market, the uncertain supply of raw materials, the rising cost of labour and materials, and the growing pains in regaining a secure economic foothold. This was especially apparent in the production of textiles, rubber shoes, electric, torches, torch batteries and bulbs.

STEADY RISE

During October, November and December, however, with the exception of torch batteries, suffering from American competition, production and sales have steadily risen, bringing the rehabilitation level from the March status of 30% to its present level of 70%.

The rubber shoe industry, now just regaining its pre-war footing, experienced a great many ups and downs during the first two years of reconstruction. Today, producing at 50% of pre-war, rubber shoe factories have started to regain their pre-war orders, despite difficulty in procuring the necessary canvas.

During the last few months, however, rubber firms have begun to supply the Chinese Army with large orders of boots and have sent off a shipment of 30,000 Wellington boots to England.

Approximately 35 rubber factories are now in operation in the Colony. Two of the largest of these, Fung Keung and Tai Hang, had very difficult rehabilitation problems. The former was badly burned during the war and the latter was requisitioned by the Army and only recently returned to its owners.

The electric companies, Hongkong Electric and China Light and Power, are today operating at 100% of their pre-war capacity. The Hongkong Electric Co. has installed a large amount of new machinery and during the Christmas season carried a higher weight load than at any time before the war.

One of the most remarkable jobs of reconstruction has been done by the dockyards—Kowloon Docks and Taikeo Docks—both of which were badly damaged by war bombing and shelling. Now entirely rebuilt, both are repairing ships at 95% of their pre-war levels. Although they have reached only 5% of their pre-war "new construction" standard, this is due not to lack of facilities but to the shortage of steel, now unavailable from the United Kingdom and purchasable from America only in small quantities at a high gold dollar cost.

(Continued on Page 4)

5TH INSTALMENT OF A NEW PHOTOSTRIP SERIAL

SYNOPSIS:

Catherine and "The Blonde" go to the "Brown Derby" for dinner, so they can "be seen." "The Blonde" puts on a fake telephone call scene to attract attention—an old trick.



Sterling Hayden, one of the stars who is dining at the "Brown Derby" that night is rehearsed in a scene with Olga San Juan, and the photo above shows them enacting the scene. After the conversation, Kirby (played by De Forest Kelley), a Paramount talent scout, approaches "The Blonde"

and says that if she is Amber La Vonne (the stage name Catherine Brown took), that she can have a screen test at his studio on the following day. "The Blonde" still pretends that her name is Amber La Vonne and convinces Kirby that she is

the girl his studio wants to test. The next morning, Catherine and "The Blonde" are on the Paramount lot for the screen test—but nothing doing for Catherine. No test for her—only for "The Blonde." (To be continued tomorrow)

BEAUTY ARTS

By LOIS LEEDS



Posed for Lois Leeds.

Men want their girl friends to be feminine, not foolish!

BOY AND GIRL

The other day I was shopping in a large store. Behind the counter was a pretty Teen Age girl and in

front of it a boy, young, nice looking and manly. As I stopped to look at some slippers I heard the Boy say, "My office is just across the street, maybe you can have lunch with me next week?" "O. K.", she replied, "we'll go Dutch Treat." A strange look crossed the Boy's face. "No thanks," he said, "see you sometime," and he left!

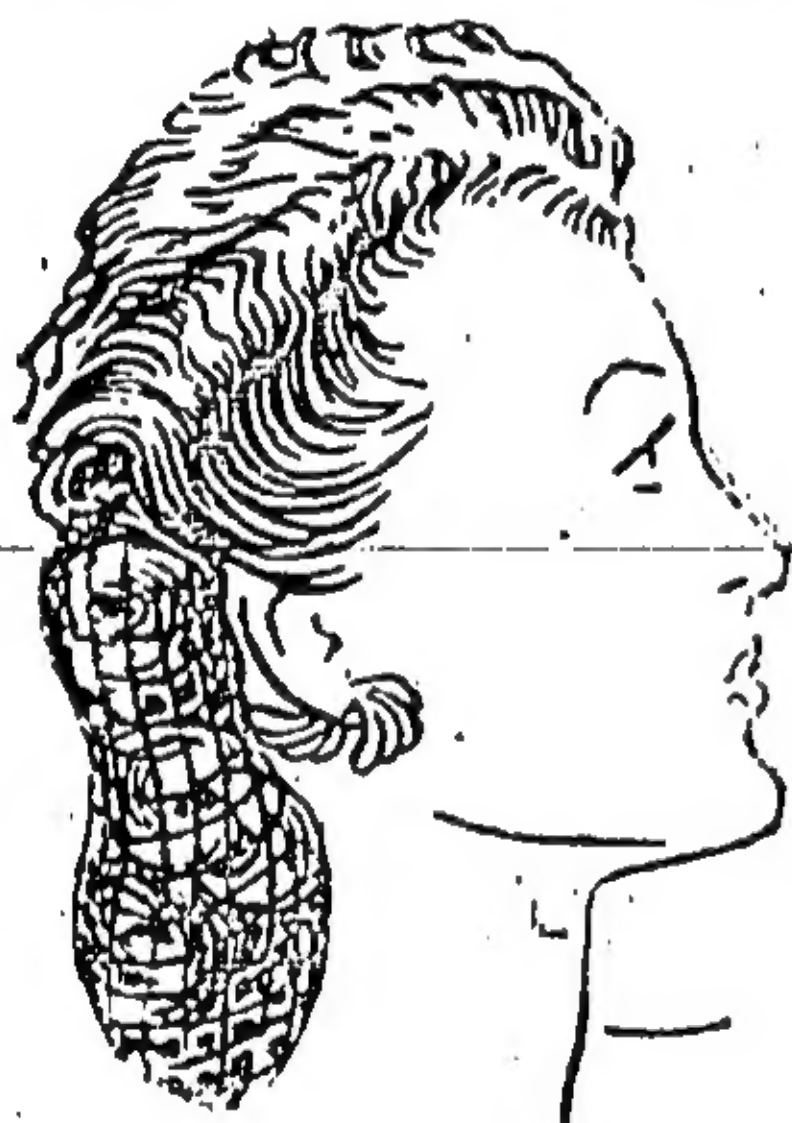
Of course she will lose his friendship. Why did she have to put in about the Dutch Treat, asserting herself, putting the emphasis on her earning power? He had invited her to have lunch, he wanted her to go with him as his guest—but she spoiled it all!

Maybe he would have had to make some small sacrifice in order to treat her but that's what he wanted to do and that's his right. Women everywhere are overdoing this business of paying their own way. Men don't like it and it is Death to Romance.

The Girl who overdoes things by letting a man pay for more than he can afford is also wrong, but never NEVER offer to pay your way when a man invites you to be his guest. He resents it—and rightly so! Insist upon this and soon you will not be invited at all and you will be paying your own way all-right, all by yourself!

Poise. Graciousness—that's what you need as well as the ability to accept invitations from your men friends without the Dutch Treat angle. That's not feminine, it's foolish!

Minute Makeups by GABRIELLE



Jaw line too heavy? If so, try a little Gray eyeshadow. Apply the eyeshadow along the jawline; with a very light touch, may I say? Now powder carefully. The effect will be good if you are good at makeup!

SIDE GLANCES

By Galbraith



"I wish Dorothy had waited for food prices to go down before becoming so popular!"

PRIEST DRAWS GRIM PICTURE OF AMERICA UNDER COMMUNISM

The United States, on the brink of famine, is seized by Moscow-directed Communists who first stir up riots, strikes and religious prejudice on a nation-wide scale.

AN EXPLOSIVE SITUATION

Explosives enough to blow the city of Manila to bits are still scattered untouched throughout the length and breadth of the Philippines, and casualties from the mishandling of the remnants of ordnance stockpiles of the American and Japanese armies—those killed or maimed every week—average 30 persons.

This has just been disclosed by the bomb disposal squads of the Philippine Army under Captain Pablo P. Gabriel, who said 25,000 tons of explosives, furnishing an extremely dangerous but potentially rich industry for illegal users of powder, still lie all over the islands, more than two years after the war.

In Manila and the suburbs alone, according to the officer, 3,000 tons of engineering and ordnance explosives, including land mines, remain to be discovered and disposed of. These, he said, may yet deal sudden and violent death to the unwary.

Other places where heavy concentrations of explosives abound are Davao, Mountain Province, Batang, Zamboanga, Marikina, and Iloilo, Mindanao, which were once sites of ammunition dumps or scenes of battles.—Reuter.

HELEN KELLER FOR JAPAN

General Douglas MacArthur has given Helen Keller permission to return to Japan to continue her work among the deaf, dumb and blind which was interrupted 10 years ago by the war with China.

Gen. MacArthur approved a clearance for a two-and-a-half-month visit late next summer after Miss Keller made application through the State Department.

An announcement said that the trip will be delayed until August because she plans to visit Europe this winter and has promised to go to Australia in March.

Miss Keller's visit to Japan 10 years ago was regarded by the Japanese as an epoch-making incident in their cultural history. Japan has approximately 2,500,000 blind, deaf, dumb and disabled.

Miss Keller also plans to visit China and other Far Eastern countries.—Associated Press.

The downfall of democracy is swift, complete—and simple. That is the picture shown in "Is This Tomorrow?" a comic-book type of publication—one edition only—released by a St. Paul (Minnesota) Catholic priest as part of his continuing campaign against Communism.

The Rev. Louis A. Gales draws a grim picture in his 48-page booklet, the way of warring young Americans what they would face under a Communist dictatorship.

The booklet ends on a depressing note with no solution offered, but even now editorial succour is on the way in a sequel, "This Is the Answer," currently on Father Gales' planning desk.

For Young Minds

Since before the war, the priest has engaged in a fight against Communism and all other forms of totalitarianism. He does it from his office in the Catechetical Guild Education Society, publishing house of Catholic teaching aids.

Father Gales' field has been the fertile minds of young people, where he feels the seeds of democracy must be planted firmly to prevent the spread of authoritarian principles.

During the war, the Guild suspended its anti-Communist publications "because of the complicated international set-up."

Solution Coming Up

"But in the light of today's events," Father Gales said, "we feel we must resume. We should use every strength to expose the aims and purposes of the Soviet system."

"This is the Answer" will depict what its publisher terms a "rational organization of the social-economic life" as opposed to a Communist system and will discuss social justice, child labour and heavy taxes as democracy-weakeners.

The booklet will champion living wages for all, private property, balanced prices and profit sharing. "We're not pulling any of our punches," Father Gales said.

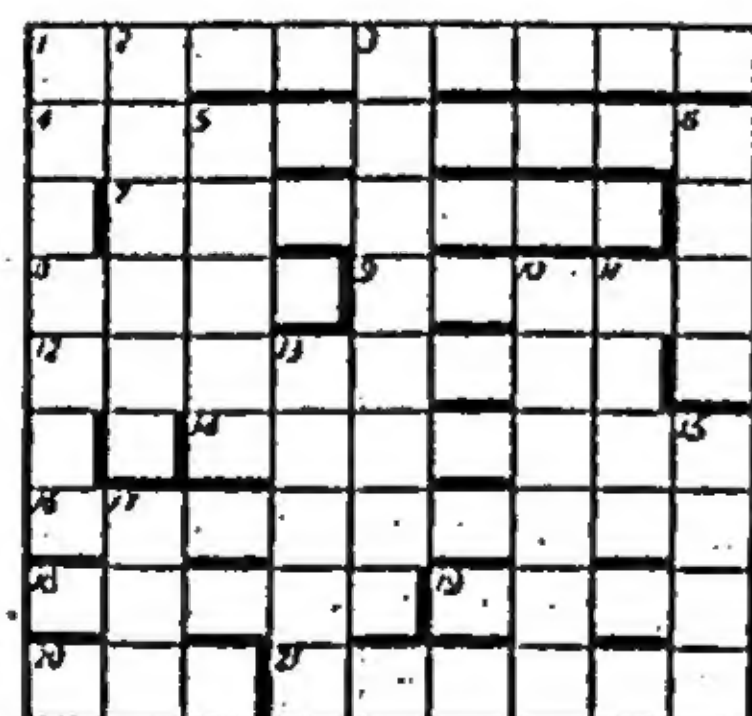
Igor Stravinsky's New Opera

Igor Stravinsky is at work on a three-act opera.

The Russian-born composer now living in Hollywood suggested the subject, Hogarth's series of pictures of "The Rake's Progress."

W. H. Auden, the poet, is librettist. The book will be ready in March, says Stravinsky's publisher, and the music in about two years.—Associated Press.

CROSSWORD



Across

1. This article is a species of sunflower with tubers. (9)
4. Attachment. (9)
5. An Irish foot soldier. (4)
6. In specialized what they are got in area. (5)
12. Event. (8)
14. Articulate. (7)
15. See 1 Down.
16. I sat round an unknown symbol, for idea of course. (5)
19. Spot above for a change. (4)
20. A man is called a _____, (5)
21. Once in the appears like this. (6)

Down

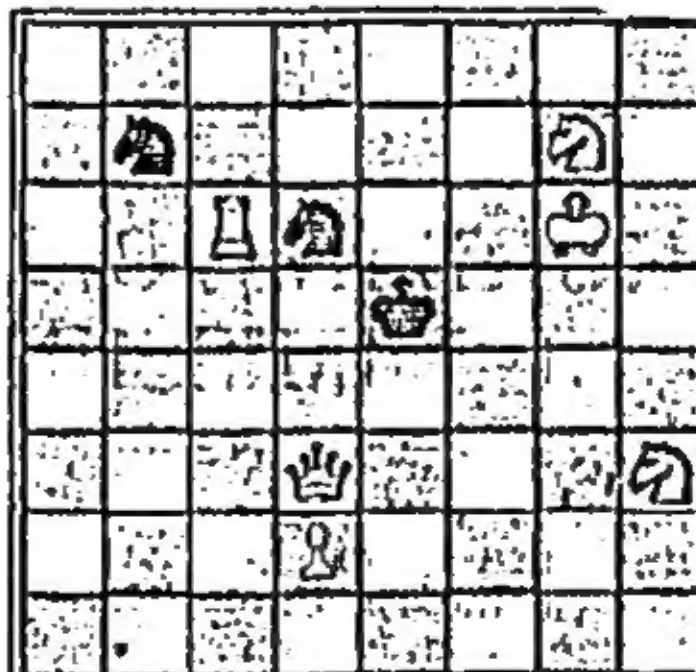
- 1 and 10. "and master of none." (4, 2, 3, 6)
2. Result of an action. (5)
3. They may be the cause of many divisions. (3)
7. This sort of comedy is marked by low humor. (10)
8. As a feature is outstanding. (4)
9. Metropolis. (6)
11. How often does the cone appear. (4)
13. One way to let the cat in. (3)
17. In this simile is existence. (4)
18. A son obviously. (5)

Answers of yesterday's puzzle.—Across: 1. Sunflower, 2. Attachment, 3. Irish, 4. Soldier, 5. Area, 6. Event, 7. Articulate, 8. See 1 Down, 9. Spot, 10. A man, 11. Once, 12. Event, 13. One way, 14. In this, 15. A son, 16. Obviously, 17. Existence, 18. A son, 19. Obviously, 20. A man, 21. Once.

CHESS PROBLEM

By H. COX

Black, 3 pieces.



White, 6 pieces.

White to play and mate in two. Solution to yesterday's problem: 1. Q-QK2, any; 2. Q, R, or K mates.

Rupert and the Big Bang—12



During morning school Rupert notices that one person is absent and he gets more anxious than before. "I say," he whispers, "does anyone know why Bingo isn't here?" Algy and Bill both shake their heads and the schoolmaster sternly calls for silence in class, so the little boy has to be quiet, but he decides that afterwards he will go to the old ruins and see whether Bingo is safe, and whether the bang they had heard was anything to do with him.

ALL RIGHTS RESERVED.

SHOWING TO-DAY

KING'S

At 2.30, 5.15, 7.20 & 9.30 p.m.



LATEST

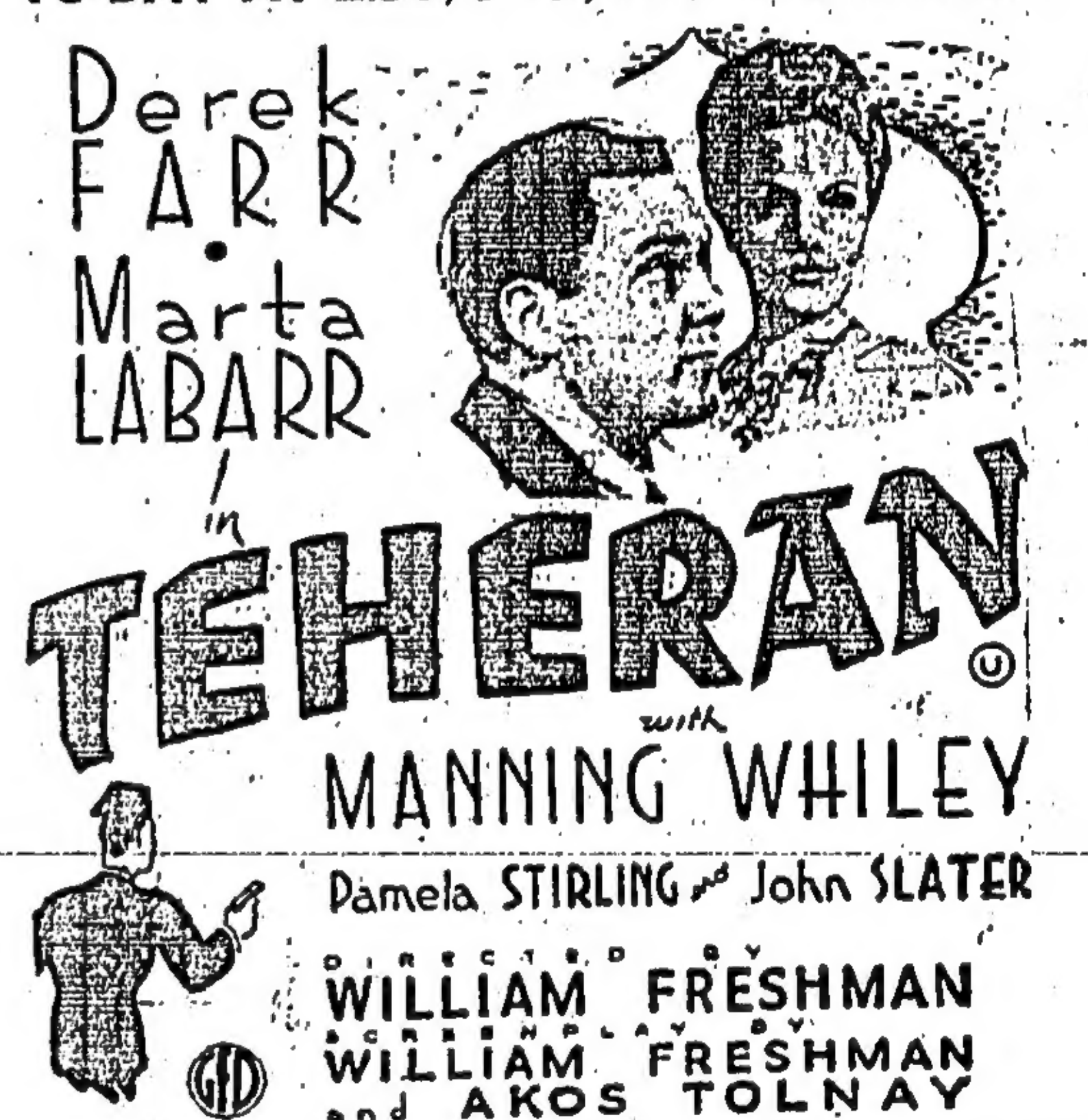
METRO-NEWS

COLOR CARTOON

"CHEESE BURGLAR"



TO-DAY AT 2.30, 5.15, 7.15 & 9.15 P.M.



TO-DAY ONLY **Cathay** AT 2.30, 5.20, 7.20 & 9.20 p.m. BACK AGAIN BY PUBLIC DEMAND!



OPENING TO-MORROW • Ginger ROGERS • Ray MILLAND in "LADY IN THE DARK" in MAGIC TECHNICOLOR

INSECTS WEATHER BIKINI TESTS

Insects on Bikini atoll weathered the atom bomb tests without showing any new forms from the effects of radioactivity. A. C. Cole, Jr., University of Tennessee entomologist said.

The insect population on the islands in the atoll, studied during a visit last summer, might be termed normal for islands of the general area "and no structural anomalies were observed which might have been caused by blast or radiation effects," he told the American Association for the Advancement of Science.

Some flies of the fruit fly family were taken back to America for continued study to see if radioactivity had affected their genetic structure and heredity, but so far no changes beyond normal variability have been noted, he said.—Associated Press.

NOTICE TO ADVERTISERS

Advertisers are requested to note that not less than 24 hours notice prior to the day of publication should be given for all commercial display, advertisements, change of copy etc. Notices and Classified Advertisements will be received up till 4.30 p.m. for the following day.

RUSSIA MAY FORCE BREAK IN GERMANY

TRIESTE GOVERNOR DISPUTE

Belgrade, Jan. 8.—Yugoslavia today charged Italy with deliberate obstruction in solving the question of a Governor for the Free Territory of Trieste.

The Yugoslav Foreign Office spokesman said that the Italian Government had rejected the names proposed by Yugoslavia on the grounds that she was unable to accept candidates from countries with which she had been at war.

The Italians, in turn, proposed candidates they knew would not be acceptable to Belgrade, the spokesman said.

The names proposed by Yugoslavia were Dr. Nikola Peca, chief of the Czechoslovakian delegation to the International Military Tribunal at Nuremberg, Senator Georg Branting, of Sweden, and the President of the Norwegian Supreme Court, M. Emil Stang, the spokesman said.

Not Identified

He pointed out that Sweden had never been at war with Italy. When these names were rejected, the Yugoslavs proposed two others: the French Ambassador in Prague, M. Maurice Dejean, and the former Spanish Republican Ambassador in London, Senor Pablo de Alcaraz Florez. Both these were rejected.

The Italian Government proposed two Swiss and later a third Swiss and a South African. The spokesman said that none of these were acceptable to the Yugoslav Government.

He asserted that the South African, a delegate of his country at the Paris Peace Conference, was noted for his anti-Yugoslav attitude. The spokesman did not identify Italy's candidates, other than by nationality.—Reuter.

Movie Makers To Face Grand Jury

Hollywood, Jan. 8.—Two movie writers and a director today asked \$2,000,000 in damages from movie studios for dismissing them because they refused to tell the Congress Un-American Activities Committee whether they are Communists.

Ring Lardner, Jr., asked \$138,250 from Twentieth Century-Fox. Director Edward Dmytryk wanted \$1,783,425 from RKO. Writer Lester Cole asked in damages but only his job back in a suit against Metro-Goldwyn-Mayer.

The three are among the 10 movie-makers who will be arraigned in Washington tomorrow for contempt of Congress for refusing to answer questions before the Un-American Activities Committee.

Five under contract have been dismissed from projecting the movie industry.—United Press.

Red Hunt To Resume

Washington, Jan. 8.—The Un-American Activities Committee of Congress will resume its hunt for Hollywood Communists "in the very near future," the Committee Chairman, Representative J. Parnell Thomas (Republican of New Jersey) said today.

The autumn hearings resulted in contempt of Congress cases and Grand Jury indictments against 10 screen writers, producers and directors, who declined to say whether they were, or ever had been, Communist Party members.—Reuter.

SCRAP METAL FROM CHINA

Baltimore, Jan. 8.—The first shipment of guns and tanks in a 1,000,000-ton purchase of scrap metal from the Chinese Government arrived here today for the Patapsco Scrap Corporation, a Bethlehem Steel subsidiary.

The Liberty ship, John Morton, arrived with an 8,000-ton cargo loaded at the Sand Island Army base in Hawaii.

About 100 shipments are expected in the next 10 months. The first consignment includes 123 light tanks, scores of coastal guns and their mountings, thousands of bayonets, nearly 300 barrels of army mess gear, thousands of helmets pressed into 50 pound blocks, rocket launchers and battered ammunition boxes.

The scrap originated in China but is being assembled and checked in Hawaii after being "demilitarized." All weapons, for instance, were removed from the tanks.

After processing at the scrap yard, the metal will be transferred to Bethlehem's nearby Sparrow's Point plant and melted down for new steel.—Associated Press.

London, Jan. 8.—The Foreign Secretary, Mr. Ernest Bevin, today tabled for discussion by the Cabinet his detailed report on the failure of the Council of Foreign Ministers to reach agreement on joint action in Germany and its significance for future British policy in Germany.

Coming as it does immediately after yesterday's announcement of new measures for co-ordinating German participation in the economic administration of the Anglo-American joint zone, Cabinet consideration of German policy must necessarily take into account the new situation created by this concentration of administrative power in Frankfurt.

The first Soviet reaction to the new proposals made by General Luelius, Clay and General Brian Robertson, in the Soviet-controlled press and in the comment of the Soviet official press agency from Berlin, are critical.

The proposals are denounced in a Tass Agency despatch as aiming at a "virtual dismemberment of Germany, a course fraught with grave consequences for the German people."

MARSHALL'S APPEAL

(Continued from Page 1)

Both men have a considerable following, which may result in an important and significant split developing in the Republican ranks.

With these Republican Party split signs were the press reports that Mr. Marshall might proclaim a "pass the plan or I quit."

On the eve of today's debate, Republicans of the House of Representatives did smooth away some of their differences over the strategy for handling America's foreign aid programme by agreeing that "equal consideration" will be given to the Marshall and Herter plans.

THE HERTER PLAN

The Marshall Plan calls for a single Federal Administration with broad powers. The Herter Plan, developed by a special House Committee headed by Representative Herter after a tour of Europe last autumn, provides for managing the European recovery programme through a bi-partisan Government corporation of eight members.

While some Republicans had earlier supported the principles of the Herter Plan, others had questioned its constitutionality on the grounds that it would invade the right of the President to direct foreign affairs.

President Truman, in the traditional "State of the Union" message yesterday, called on Congress to give prompt approval to the Marshall Plan, which the State Department claimed "could achieve miraculous results."

A stony silence had greeted the President's 45-minute statement in domestic affairs but Mr. Marshall was applauded by both sides of the House.—Reuter.

Another Plane Crash

Paris, Jan. 8.—Nine people, including two children, were buried to death when their plane crashed against a hillside near Palestro, about 50 kilometres west of Algiers today, according to Agence France Presse.—Reuter.

SPLENDID RECOVERY BY HONGKONG INDUSTRIES

(Continued from Page 1)

Swedish competition in matches (Swedish matches in the Colony sell for the same price as those made locally) has produced a contradictory effect on the two match companies, Great China and Hongkong Match. The Great China Match Co. has already passed its pre-war production, while the Hongkong Match Co. is marking time at 70% of its pre-war output.

The Green Island Cement Co. has been held back by the loss of all pre-war machinery (stolen by the Japanese) and the difficulties of importing the necessary raw materials from China. The firm is operating now at 50% of its pre-war capacity.

Other industries have found it impossible to regain any of the footing that they had before the war. Most notable of these are the iron and steel foundries. Forced to rely on scrap alone, they did a small but lively business in the early days of the reconstruction but have steadily decreased output during the past months, as the cost of labour has risen and the supply of scrap diminished.

Chap Hua and Liu Ho Kuei Iron Works did well in the beginning but have been steadily diminishing in production. The latter is now producing at 50% of its pre-war level. The South China Iron Works lost all of its machine tools during the war and has not been in production since. Likewise, the Hume Pipe Co., a very large factory making cement steel pipes, was completely demolished, and has not been able to rebuild.

Impeded by the high cost of labour and shipping, handicrafts and the manufacture of ration furniture have fallen far below their production of pre-war days.

The Cabinet decisions on future British policy must clearly depend, to a great extent, on the initiative which lies outside purely British control.

Mr. Bevin, in addressing Parliament on the failure of the London Conference, made it clear that nothing would be done on the British side to close the door on eventual four-power agreement in Germany.

It may be fairly assumed that this basic aim underlies the recommendations which are understood to accompany Mr. Bevin's analysis of the present German situation and of the necessary steps for handling it in future.

Central Question

The central question now, in the opinion of diplomatic observers here, is whether Russia will choose to regard the division of Germany as a pretext for finalising the division of Germany by a break in the Allied control machinery in Berlin or whether she will content herself with attempting to persuade the German people that it is America and Britain who are bent on dividing Germany.

Arguments advanced in London by those who believe that Russia intends to make an early break include the following:

1. The stepping up of Soviet propaganda in Berlin, designed to convince the population of the capital that the days of the Western Powers' delegations to the quadripartite Control Council in the German capital are numbered.

2. The desire of the Soviet security authorities to close the gap which Berlin represents in an all-Soviet zone from contact with the Western world.

3. The accumulation of rumours indicating increasingly hurried Soviet preparations for a new administrative pattern in the Soviet Zone.

The counter arguments centre primarily round the belief that Russia does not yet wish to see Germany formally divided because she can extend her political influence in the Western Zones more effectively if the present uncertainty is maintained.

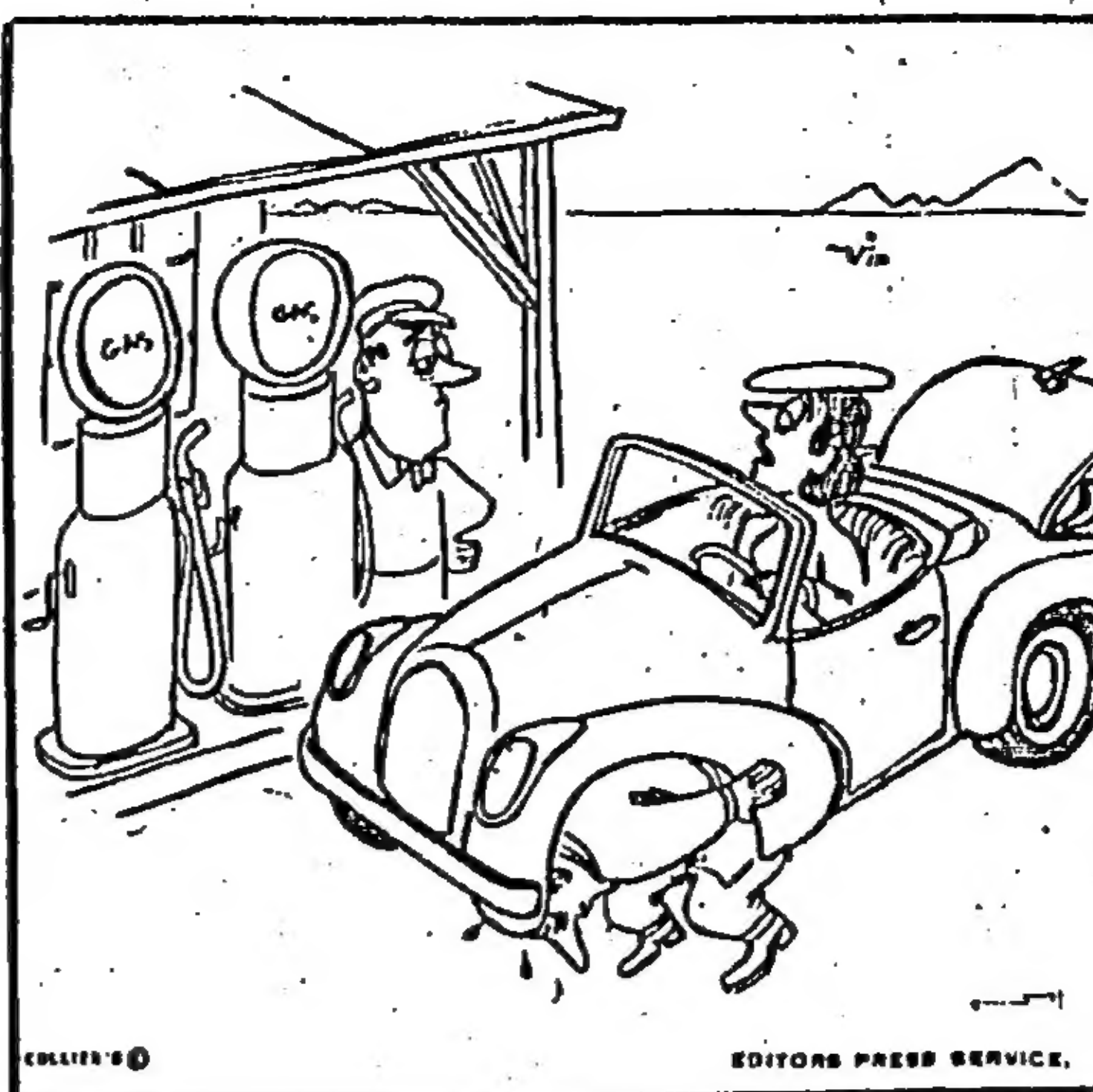
Parallel Aims

In addition, many observers here believe that Russia's declared intention of the Council of Foreign Ministers for the Japanese peace settlement will prevent her forcing a rupture in Berlin.

If the quadripartite control survives the announcement of the new economic reorganisation of the Anglo-American joint zone, then British policy is likely to be guided by two parallel aims.

First, in conjunction with the United States to continue the practical task of promoting economic recovery in the joint zone, while giving the Germans themselves increased responsibilities for the working out of their own problems; secondly, to continue the hitherto unsuccessful attempt to promote German economic unity.

The most likely concrete efforts Mr. Bevin will propose in this end are an increase in trade between the Western and Eastern Zones of Germany and between the Western Zones and Eastern European countries and an early conclusion of a currency reform agreement on a quadrilateral basis.—Reuter.



"Do you fix flats?"

European Development Under Marshall Plan

Washington, Jan. 8.—A more detailed study of the 15 volumes of the United States Government's recommendations concerning the allocation of resources to European countries under the Marshall Plan reveals important features relating to the projected industrial development of Europe during the next four years.

U.S. MARINE SAID KILLED BY REDS

Tsingtao, Jan. 9.—The Chinese garrison commander has reported that Chinese Communists killed one of five U.S. marines who became lost on a hunting trip in this North China area on Christmas Day.

U.S. Navy authorities are continuing to withhold the identities of the marines.

Marine Headquarters here reported their disappearance on Tuesday, but gave no details, beyond that they were missing in Communist territory on a holiday hunting trip.

A Chinese official said a jeep used by the party had been abandoned beyond Government lines. In Shanghai yesterday, the Navy confirmed that the marines were believed to be held by Reds, but that there had been no indication that they had been harmed. The brief official statement said four were missing on the hunting trip and that a fifth was absent without leave.—Associated Press.

MICHAEL HAS MONEY WORRIES

Lausanne, Jan. 8.—Ex-King Michael of Rumania, believed to be worried by financial problems, intends to sell immediately two of the four cars which he brought with him from Rumania four days ago following his abdication, it was reported here tonight.

The Rumanian Government is handing over to the people the extensive property owned by Michael and the former royal family, the Bucharest Radio announced tonight.

The announcement added that owing to the enormous size of the royal property the Government commission appointed to administer it had not yet been able to compile an inventory.

Michael alone, it was estimated, owned 23,000 hectares of private land, and the royal family owned numerous estates, yachts, hunting grounds, banks, factories, buildings and all other kinds of enterprise, the broadcast said.

It was estimated that the royal family alone owned over 150,000 hectares besides 50,000 hectares in other estates.—Reuter.

KOREANS GREET COMMISSION

Seoul, Jan. 8.—A million cheering Koreans with banners and torches lined the streets here at dusk today to welcome the United Nations Korea Commission, which is to supervise the elections and the establishment of an independent state or Korea.

The party was met at the airfield by Lieutenant-General Hodge, United States Commander in Southern Korea, with Korean dignitaries and members of the diplomatic corps, including the British Consul-General at Seoul.

The first official meeting of the Commission was held for next Wednesday and one of the main tasks of the Commission will be to arrange for elections before March 31. The Soviet refusal to allow the Commission to enter North Korea is one of the difficulties.—Reuter.

Princess' Horse

London, Jan. 8.—Princess Elizabeth has given the name of Anita Khan to the racehorse given to her by a wedding present by the Aga Khan.

It is a filly by Turkhan out of Hastra.—Reuter.

U.N. TEAM FEARS ARAB BULLETS

Lake Success, Jan. 8.—The United Nations Palestine Commission will meet for the first time tomorrow to face the problem of its own protection as well as the protection of the people of Palestine.

The United Nations Secretary-General, Dr. Trygve Lie, said he would place the security problem before the Commission as soon as it meets.

The five-nation Commission, charged with administering the partition of Palestine, fears it will be greeted by a hail of Arab bullets as soon as it reaches Palestine.

A high Canadian official in Ottawa proposed that the U.N. recruit a brigade or even a division of volunteers to protect the Commission. This would have to be done through the Security Council. It would be the first step towards solution of the broader problem of how to end Arab-Jewish fighting, which began when the U.N. voted on November 29 to split Palestine into Arab and Jewish states.

Dr. Lie told a press conference he had discussed the overall security problem with his top assistants. He has not authorised talks with individual governments, but four other U.N. sources reported that U.N. government conversations have taken place.

The United States and British delegates insisted, however, that they were not involved.

Russia's Chance

Opponents of Palestine partition have warned that the split might give Russia a chance to place some troops into the oil-rich Middle East.

Any Soviet troops which might be assigned to help enforce partition, however, certainly would be outnumbered by soldiers from other parts of the world. Dr. Lie said it would be up to the Palestine Commission to make the first request for Security Council action on the fighting.

The Commission is composed of Bolivia, Czechoslovakia, Denmark, Panama, and the Philippines.

The Hebrew Commission of National Liberation, headed by Puer H. Bergson, disclosed that it had asked Security Council members to "restrain" Britain and the Arab States from aiding Palestine Arabs.—United Press.

TO-DAY'S RADIO

H.K.T.
6. Studio, Children's Half Hour; 6.30. Studio; Portuguese Half Hour; 7. London; 7.15. World and Home News; 7.15. Studio; "You Asked for It" Variety Request Programme, presented by Miss Janet Hill; Philadelphia Orchestra conducted by Leopold Stokowski; 8.40. Studio; Vocal Recital by Cella Haddeman (Soprano) with Piano Accompaniment by Betty Drown; 9. London; 9.15. News; 9.15. Weather Report; 9.15. Interlude; "My Beautiful Santa Maria" Joe Louis & His Orchestra; 9.15. B.B.C. Transcription Service; Highlights of the South African Tour; 10.15. Studio; "The Magic Flute" Act 1, sung by the Members of the Mozart Society with the Berlin Philharmonic Orchestra conducted by Sir Thomas Beecham; 11. Close Down.

STAR

2.30, 5.30, 7.30 & 9.30 P.M.
TO-DAY & TO-MORROW

YOU WILL FIND THE BEST OF A MAN'S TRADING REALITY



BARBARA STANWYCK

will be known forever for her sensational performance in 'MY REPUTATION'

SUNDAY, JAN. 11

"The Man Who Came To Dinner"

Starring

Betty DAVIS • Ann SHERIDAN

They Gave their Lives.

We, too, may give through the

HONGKONG WAR MEMORIAL FUND

Send your donation to The Hon. Treasurer, Lowe, Bingham & Matthews, Mercantile Bank Bldg.

OUTWARD MAILS

Unless otherwise stated, registered articles and parcel posts close 30 minutes earlier than the ordinary mail. If mail close before 10 a.m. registered and parcels will close at 8 p.m. on previous day.

FRIDAY, JANUARY 9

Closing Times By Air

Bangkok, Hongkong, Calcutta, Karachi, Dairen, Cairo (Nairobi, Johannesburg & Mombasa via Cairo) Augusta & London, 3.30 p.m.

Singapore and Paris, 3.30 p.m.

Amoy, Shanghai, Nanking, Hankow, Tientsin, Peking, Swatow, Canton and Chungking, 3.30 p.m.

Closing Times By Sea & Train

Macao, Tainan & Shekhi (Sea) 1 p.m.

Canton (Train) 2 p.m.

Singapore (Sea) 2 p.m.

Manila, P.I. (Sea) 3 p.m.

Canada via Vancouver, B.C. (Sea) 4 p.m.

Macao, Tainan, Shekhi & Hongmoon (Sea) 4 p.m.

Canton (Sea) 5 p.m.

Closing Times By Air

Shanghai, 9.30 a.m.

Manila, P.I., Honolulu, USA & Canada, 10 a.m.

Shanghai, Nanking, Hankow, Tientsin and Peking, 3.30 p.m.

Closing Times By Sea & Train

Canton (Sea) Noon

Macao, Tainan & Shekhi (Sea) 8 a.m.

Haiphong (Sea) 10 a.m.

Singapore (Sea) 1 p.m.

Macao, Tainan & Shekhi (Sea) 1 p.m.

Japan (ordinary letters & cards only) (Sea) 2 p.m.

Canton (Train) 2 p.m.

Shanghai (Sea) 3 p.m.

Manila (Sea) 3 p.m.

Macao, Tainan, Shekhi & Hongmoon (Sea) 4 p.m.

Canton (Sea) 5 p.m.

SAUNDERS, JANUARY 10

Closing Times By Air

Shanghai, 9.30 a.m.

Manila, P.I., Honolulu, USA & Canada, 10 a.m.

Shanghai, Nanking, Hankow, Tientsin and Peking, 3.30 p.m.

Closing Times By Sea & Train

Canton (Sea) Noon

Macao, Tainan & Shekhi (Sea) 8 a.m.

Haiphong (Sea) 10 a.m.

Singapore (Sea) 1 p.m.

Macao, Tainan & Shekhi (Sea) 1 p.m.

Japan (ordinary letters & cards only) (Sea) 2 p.m.

Canton (Train) 2 p.m.

Shanghai (Sea) 3 p.m.

Manila (Sea) 3 p.m.

Macao, Tainan, Shekhi & Hongmoon (Sea) 4 p.m.

Canton (Sea) 5 p.m.

Closing Times By Air

Shanghai, 9.30 a.m.

Manila, P.I., Honolulu, USA & Canada, 10 a.m.

Shanghai, Nanking, Hankow, Tientsin and Peking, 3.30 p.m.

Closing Times By Sea & Train

Canton (Sea) Noon

Macao, Tainan & Shekhi (Sea) 8 a.m.

Haiphong (Sea) 10 a.m.

Singapore (Sea) 1 p.m.

Macao, Tainan & Shekhi (Sea) 1 p.m.

Japan (ordinary letters & cards only) (Sea) 2 p.m.

Canton (Train) 2 p.m.

Shanghai (Sea) 3 p.m.

Manila (Sea) 3 p.m.

Macao, Tainan, Shekhi & Hongmoon (Sea) 4 p.m.

Canton (Sea) 5 p.m.

Closing Times By Air

Shanghai, 9.30 a.m.

Manila, P.I., Honolulu, USA & Canada, 10 a.m.

Shanghai, Nanking, Hankow, Tientsin and Peking, 3.30 p.m.

Closing Times By Sea & Train

Canton (Sea) Noon

Macao, Tainan & Shekhi (Sea) 8 a.m.

Haiphong (Sea) 10 a.m.

Singapore (Sea) 1 p.m.

Macao, Tainan & Shekhi (Sea) 1 p.m.

Japan (ordinary letters & cards only) (Sea) 2 p.m.

Canton (Train) 2 p.m.

Shanghai (Sea) 3 p.m.

Manila (Sea) 3 p.m.

Macao, Tainan, Shekhi & Hongmoon (Sea) 4 p.m.

Canton (Sea) 5 p.m.

Closing Times By Air

Shanghai, 9.30 a.m.

Manila, P.I., Honolulu, USA & Canada, 10 a.m.

Shanghai, Nanking, Hankow, Tientsin and Peking, 3.30 p.m.

Closing Times By Sea & Train